



DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services

National Medicare Fraud Alert

Medicare Part D Prescription Drug Plan \$299 Scam

November 2006

Distribution of this Fraud Alert is Limited to the Following Audience: CMS Regional Offices, All Medicare Carrier and Intermediary benefit integrity units, Program Safeguard Contractors, Medicare Integrity Program (MIP) Units, Medicare Part D Integrity Contractors (MEDICs), Part D Plans, Peer Review Organizations, Medicaid Fraud Control Units, the Office of Inspector General, the Defense Criminal Investigation Service, the Department of Justice, the Federal Bureau of Investigation, U.S. Attorney Offices, U.S. Postal Inspectors, Internal Revenue Service, State Surveyors, State Attorneys General, and the State Insurance Division

SUBJECT: Medicare Part D Prescription Drug Plan \$299.00 Scam

ACTIVITY: Health Integrity, LLC, a subsidiary of Delmarva Foundation, has received credible information that individuals and entities, purporting to be representatives of Medicare sponsored prescription drug plans, are contacting Medicare beneficiaries, offering to enroll them in a Medicare Part D plan. The caller claims that they need personal bank account and other personal data from the beneficiary in order to enroll the beneficiary in a Medicare Part D plan. The callers have typically required initial "payments" of \$299.00 or similar amounts to be withdrawn from the beneficiary's account. In some instances the callers have prior access to the beneficiary's personal data such as Medicare related numbers or Social Security numbers.

There have also been reports about similar scams involving individuals identifying themselves as employees of the Social Security Administration (SSA). In these instances, the callers indicate that SSA is sending out replacement Social Security and Medicare cards and they need to verify a beneficiary's personal and/or direct deposit banking information. These scams have primarily affected beneficiaries residing in Wisconsin. The Inspectors General at SSA and the Department of Health and Human Services, as well as the Federal Trade Commission, are investigating these scams.

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SOURCE:

CMS Marketing Part D Guidelines
Identity Theft and Assumption Deterrence Act
18 U.S.C. § 1028(a) (7)
18 U.S.C. § 1028
18 U.S.C. § 1029
18 U.S.C. § 1030
18 U.S.C. § 1341
18 U.S.C. § 1343
18 U.S.C. § 1344

STATUS: Currently under investigation by the Office of Inspector General.

CONTACT: If you have information about incidents involving callers selling fictitious Medicare sponsored prescription drug plans or individuals involved in any of the activities described above, contact the Medicare Fraud, Waste and Abuse MEDIC, Health Integrity at 1-877-7 SAFERX or any regional offices of the Office of Inspector General, U.S. Department of Health and Human Services, at the following locations:

Field Offices	States Served	Telephone
Boston	MA, VT, NH, ME, RI, CT	617-565-2664
New York	NY, NJ, PR, VI	212-264-1691
Philadelphia	PA, MD, DE, WV, VA, DC	215-861-4586
Atlanta	GA, KY, NC, SC, FL, TN, AL, MS	404-562-7603
Chicago	IL, MN, WI, MI, IN, OH, IA,	312-353-2740
Dallas	TX, NM, OK, AR, LA, CO, UT, WY, MT, ND, SD, NE, KS, MO	214-767-8406
Los Angeles	AZ, NV, So. CA	714-246-8302
San Francisco	No. CA, AK, HI, OR, ID, WA	415-437-7961

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CMS NMFA Part D 2006-01

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